

000252 09/03/2002

Form 5471

(Rev. May 2001)

Department of the Treasury
Internal Revenue Service**Information Return of U.S. Persons With
Respect To Certain Foreign Corporations**

► See separate Instructions.

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning 01/01, 2001, and ending 12/31, 2001

OMB No. 1545-0704

File In Duplicate

(see When and Where To File in the instructions)

Name of person filing this return

W. R. GRACE & CO. SUBSIDIARIES

Number, street, & room or suite no. (or P.O. box no. if mail is not delivered to street address)

5400 BROKEN SOUND BLVD. NW - SUITE 300

City or town, state, and ZIP code

BOCA RATON, FL 33487

Filer's tax year beginning 01/01, 2001, and ending 12/31, 2001

A Identifying number

65-0773649

B Category of filer (See instructions. Check applicable box(es)):1 2 3 4 5 **C Enter the total percentage of the foreign corporation's voting stock**

you owned at the end of its annual accounting period

%

D Person(s) on whose behalf this information return is filed:

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

Important: Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U.S. dollars unless otherwise indicated.**1a Name and address of foreign corporation**GRACE GMBH & CO. KG
IN der HOLLERHECKE 1
67547 WORMS, GERMANY**b Employer identification number, if any****c Country under whose laws incorporated**
GERMANY**d Date of incorporation****e Principal place of busn.****f Principal business activity
code number****g Principal business activity
OTHER CHEMICAL
PROD MFG****h Functional currency
Euro**

11/08/55

GERMANY

325900

2 Provide the following information for the foreign corporation's accounting period stated above.**a Name, address, and identifying number of branch office or agent
(if any) in the United States****b If a U.S. income tax return was filed, please show:**(i) Taxable income or (loss) (ii) U.S. income tax paid
(after all credits)**c Name and address of foreign corporation's statutory or resident
agent in country of incorporation****d Name and address (including corporate department, if applicable) of
person (or persons) with custody of books & records of the foreign
corporation, and the location of such books and records, if different**

T HIRSCH

Schedule A Stock of the Foreign Corporation**Part I — ALL Classes of Stock**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
ORDINARY QUOTAS - EURO	25,000	25,000

Part II — Additional Information for Preferred Stock

(To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock <i>(Note: This description should match the corresponding description entered in Part I, column (a).)</i>	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether stock is cumulative or noncumulative

For Paperwork Reduction Act Notice, see the separate instructions.

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U.S. Shareholders of Foreign Corporation (See the instructions.)

100

Schedule C Income Statement (See the instructions.)

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
INCOME	1a Gross receipts or sales	1a 363,775,815.	324,760,859.
	b Returns and allowances	1b 6,591,566.	5,884,621.
	c Subtract line 1b from line 1a	1c 357,184,249.	318,876,238.
	2 Cost of goods sold	2 204,333,650.	182,418,866.
	3 Gross profit (subtract line 2 from line 1c).	3 152,850,599.	136,457,372.
	4 Dividends	4	
	5 Interest	5 899,636.	803,150.
	6 Gross rents, royalties, and license fees	6 104,621.	93,400.
	7 Net gain or (loss) on sale of capital assets	7	
DEDUCTIONS	8 Other income (attach schedule)	8 SEE STATEMENT. J. 25,894,296.	23,117,133.
	9 Total income (add lines 3 through 8).	9 179,749,152.	160,471,055.
	10 Compensation not deducted elsewhere	10 12,752,305.	11,384,620.
	11 Rents, royalties, and license fees	11 15,217,742.	13,585,639.
	12 Interest	12 20,281.	18,106.
	13 Depreciation not deducted elsewhere.	13 9,839,269.	8,784,007.
	14 Depletion	14	
	15 Taxes (exclude provision for income, war profits, and excess profits taxes)	15 66,213.	59,112.
	16 Other deductions (attach schedule -- exclude provision for income, war profits, and excess profits taxes)	16 SEE STATEMENT. 2. 93,016,751.	83,040,703.
INCOME	17 Total deductions (add lines 10 through 16).	17 130,912,561.	116,872,187.
	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)	18 48,836,591.	43,598,868.
	19 Extraordinary items and prior period adjustments (see instructions)	19	
	20 Provision for income, war profits, and excess profits taxes (see instructions)	20 -52,843.	-47,176.
	21 Current year net income or (loss) per books (line 18 plus line 19 minus line 20)....	21 48,889,434.	43,646,044.

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W. R. GRACE & CO. SUBSIDIARIES
GRACE GMBH & CO. KG

65-0773649

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Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See instructions.)

(a) Name of country or U.S. possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 U.S.			
2 GERMANY			0.
3			
4			
5			
6			
7			
8 Total..... ►			0.

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

Assets	(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash	64,793,039.	15,286,270.
2a Trade notes and accounts receivable.....	45,605,566.	47,846,299.
b Less allowance for bad debts.....	(-10,305,706.)	(-9,921,360.)
3 Inventories	12,364,063.	18,994,696.
4 Other current assets (attach schedule)..... SEE STATEMENT. 3.	27,964,092.	14,889,678.
5 Loans to stockholders and other related persons.....		
6 Investment in subsidiaries (attach schedule)		
7 Other investments (attach schedule) SEE STATEMENT. 4.	28,120,779.	26,647,428.
8a Buildings and other depreciable assets	206,679,146.	223,035,560.
b Less accumulated depreciation	(153,213,834.)	(152,627,173.)
9a Depletable assets		
b Less accumulated depletion.....	()	()
10 Land (net of any amortization).....	1,794,362.	1,700,349.
11 Intangible assets:		
a Goodwill.....		7,696,208.
b Organization costs.....		
c Patents, trademarks, and other intangible assets	953,073.	18,415,233.
d Less accumulated amortization for lines 11a, b, and c.....	(248.)	(1,172,904.)
12 Other assets (attach schedule)..... SEE STATEMENT. 5.	53,208.	50,420.
13 Total assets	245,418,952.	230,683,424.
Liabilities and Stockholders' Equity		
14 Accounts payable.....	3,977,600.	17,631,915.
15 Other current liabilities (attach schedule)..... SEE STATEMENT. 6.	76,766,443.	59,580,408.
16 Loans from stockholders and other related persons.....		-3,736,941.
17 Other liabilities (attach schedule) SEE STATEMENT. 7.	6,659,084.	5,781,912.
18 Capital stock:		
a Preferred stock.....		
b Common stock.....	10,476,180.	9,927,294.
19 Paid-in or capital surplus (attach reconciliation).....	86,537,331.	82,003,320.
20 Retained earnings	61,002,314.	59,495,516.
21 Less cost of treasury stock.....	()	()
22 Total liabilities and stockholders' equity	245,418,952.	230,683,424.

000252 09/03/2002 W. R. GRACE & CO. SUBSIDIARIES
Form 5471 (Rev. 5-2001) GRACE GMBH & CO. KG

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Schedule G Other Information

Yes No

- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in a foreign partnership?
- If "Yes," see the instructions for required attachment.
- 2 During the tax year, did the foreign corporation own an interest in any trust?
- 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3?
- If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.

Schedule H Current Earnings and Profits (See the instructions.)

Important: Enter the amounts on lines 1 through 5c in functional currency.

1 Current year net income or (loss) per foreign books of account.....	1	48,889,434.
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
a Capital gains or losses		
b Depreciation and amortization		
c Depletion		
d Investment or incentive allowance		
e Charges to statutory reserves		
f Inventory adjustments		
g Taxes		52,843.
h Other (attach schedule)	3.	0.
3 Total net additions	3.	
4 Total net subtractions.....		52,843.
5a Current earnings and profits (line 1 plus line 3 minus line 4)	5a	48,836,594.
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)	5b	
c Combine lines 5a and 5b.....	5c	48,836,594.
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations) (see instructions).	5d	43,598,869.

Enter exchange rate used for line 5d ►

0.8927500

Schedule I Summary of Shareholder's Income From Foreign Corporation (See the instructions.)

1 Subpart F income (line 40b, Worksheet A in the instructions)	1	
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions).....	2	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4	
5 Factoring income	5	
6 Total of lines 1 through 5. Enter here and on your income tax return. See instructions	6	0.
7 Dividends received (translated at spot rate on payment date under section 989(b)(1))	7	
8 Exchange gain or (loss) on a distribution of previously taxed income.....	8	

Yes No

- Was any income of the foreign corporation blocked?
- Did any such income become unblocked during the tax year (see section 964(b))?



If the answer to either question is "Yes," attach an explanation.

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**SCHEDULE J
(Form 5471)**(Rev. May 2001)
Department of the Treasury
Internal Revenue Service**Accumulated Earnings and Profits (E&P)
of Controlled Foreign Corporation**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE & CO. SUBSIDIARIES

Identifying number

65-0773649

Name of foreign corporation

GRACE GMBH & CO.KG

Important. Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
1 Balance at beginning of year	43,927,354.					43,927,354.
2a Current year E&P	48,836,594.					
b Current year deficit in E&P						
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a, minus line 2b)	92,763,948.					
4 Amounts included under sec. 951(a) or reclassified under section 959(c) in current year						
5a Actual distributions or reclassifications of previously taxed E&P						
b Actual distributions of nonpreviously taxed E&P	50,403,118.					
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)			0.	0.		0.
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	42,360,830.	0.				
7 Balance at end of year. (Enter amount from line 6a / line 6b, whichever is applicable.)	42,360,830.	0.	0.	0.	0.	42,360,830.

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 5-2001)

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SCHEDULE M**(Form 5471)**

(Rev. May 2001)

Department of the Treasury

Internal Revenue Service

**Transactions Between Controlled Foreign Corporation
and Shareholders or Other Related Persons**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471	Identifying number
W. R. GRACE & CO. SUBSIDIARIES	65-0773649

Name of foreign corporation

GRACE GMBH & CO. KG

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ► Euro 0.8927500

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory).....		12,417,449.	14,092,652.		
2 Sales of property rights (patents, trademarks, etc.).....					
3 Compensation received for technical, managerial, engineering, construction, or like services.....					
4 Commissions received					
5 Rents, royalties, and license fees received.....				21,713,257.	
6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income).....					
7 Interest received		348,015.	574,010.		
8 Premiums received for insurance or reinsurance.....					
9 Add lines 1 through 8	0.	12,765,464.	36,379,919.	0.	0.
10 Purchases of stock in trade (inventory).....					
11 Purchases of tangible property other than stock in trade					
12 Purchases of property rights (patents, trademarks, etc.).....			10,868,759.		
13 Compensation paid for technical, managerial, engineering, construction, or like services.....			2,408,422.		
14 Commissions paid.....		11,477,199.			
15 Rents, royalties, and license fees paid.....					
16 Dividends paid			46,925,303.		
17 Interest paid			1,333,689.		
18 Add lines 10 through 17	0.	11,477,199.	61,536,173.	0.	0.
19 Amounts borrowed (enter the maximum loan balance during the year) -- see instructions ...					
20 Amounts loaned (enter the maximum loan balance during the year) -- see instructions ...			16,976,153.		

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule M (Form 5471) (Rev. 5-2001)

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W. R. GRACE & CO. SUBSIDIARIES
GRACE GMBH & CO.KG

Statement 1
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Income

Description	Functional Currency	U.S. Dollars
OTHER INCOME	1,337,344	1,193,914
INTER CORP. OTHER INCOME	24,556,952	21,923,219
Total	25,894,296	23,117,133

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 W. R. GRACE & CO. SUBSIDIARIES
 GRACE GMBH & CO.KG

Statement 2
 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Deductions

Description	Functional Currency	U.S. Dollars
PROFESSIONAL, CORPORATION	1,463,009	1,306,101
CHARITABLE DEDUCTIONS	6,143	5,484
ADVERTISING	322,794	288,174
GENERAL STATIONARY AND SU	162,072	144,690
TELEPHONE COMMUNICATIONS	1,700,111	1,517,774
OPERATING COSTS	949,460	847,630
UTILITIES	898	802
REPAIRS AND MAINTENANCE	1,498,506	1,337,791
INSURANCE	279,972	249,945
SERVICE CHARGES	7,542,007	6,733,127
EXPENSE TRANSFERS	2,049,797	1,829,956
AMORTIZATION CHARGES	1,708,127	1,524,930
OTHER DEDUCTIONS	3,885,510	3,468,789
INTER CORP. - OTHER EXP.	71,448,345	63,785,510
 Total	93,016,751	83,040,703

• 000252 09/03/2002
W. R. GRACE & CO. SUBSIDIARIES
GRACE GMBH & CO.KG

Statement 3
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 4 -- Other Current Assets

Detail Description	Beginning	Ending
OTHER PREPAYMENTS AND OTH	27,884,297	14,889,678
CURRENT DEFERRED TAXES	79,795	
Total	27,964,092	14,889,678

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W. R. GRACE & CO. SUBSIDIARIES
GRACE GMBH & CO.KG

Statement 4
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 7 -- Other Investments

Detail Description	Beginning	Ending
INVEST. IN CONSOL. SUBS	28,120,779	26,647,428
Total	28,120,779	26,647,428

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W. R. GRACE & CO. SUBSIDIARIES
GRACE GMBH & CO.KG

Statement 5
65-0773649

Tax Year Ended 12/31/2001

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Schedule F, line 12 -- Other Assets

Detail Description	Beginning	Ending
DEFERRED CHARGES	53,208	50,420
Total	53,208	50,420

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W. R. GRACE & CO. SUBSIDIARIES
GRACE GMBH & CO.KG

Statement 6
65-0773649

Tax Year Ended 12/31/2001

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Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
ACCEPTANCE PAYABLE	986,996	505,762
INCOME TAXES PAYABLE	3,040,362	2,927,178
ACCRUED CURRENT LIABILITIES	3,506,658	5,456,540
OTHER CURRENT LIABILITIES	903,561	1,349,017
INDEMNITIES, PENSIONS AND	41,063,880	40,280,645
INTER CORPORATE BAL. WITH	27,264,986	9,061,266
Total	76,766,443	59,580,408

000252 09/03/2002
W. R. GRACE & CO. SUBSIDIARIES
GRACE GMBH & CO.KG

Statement 7
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 17 -- Other Liabilities

Detail Description	Beginning	Ending
NON CURRENT DEFERRED TAX	6,659,631	5,782,431
MINORITY INTEREST IN SUBS	-547	-519
Total	6,659,084	5,781,912

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Form 5471

(Rev. May 2001)

Department of the Treasury
Internal Revenue Service**Information Return of U.S. Persons With
Respect To Certain Foreign Corporations**

► See separate instructions.

OMB No. 1545-0704

File In Duplicate
(see When and
Where To File in the
instructions)Information furnished for the foreign corporation's annual accounting period (tax year required by
section 898) (see instructions) beginning 01/01 , 2001 , and ending 12/31 , 2001

Name of person filing this return

W. R. GRACE & CO. SUBSIDIARIES

Number, street, & room or suite no. (or P.O. box no. if mail is not delivered to street address)

5400 BROKEN SOUND BLVD. NW - SUITE 300

City or town, state, and ZIP code

BOCA RATON, FL 33487

A Identifying number

65-0773649

B Category of filer (See instructions. Check applicable box(es)):1 2 3 4 5 **C Enter the total percentage of the foreign corporation's voting stock**

you owned at the end of its annual accounting period

100 %

Filer's tax year beginning 01/01 , 2001 , and ending 12/31 , 2001

D Person(s) on whose behalf this information return is filed:

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

Important: Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U.S. dollars unless otherwise indicated.**1a Name and address of foreign corporation**GRACE HOLDING GMBH
IN DER HOLLERHECKE 1
67547 WORMS GERMANY**b Employer identification number, if any****c Country under whose laws incorporated**
GERMANY

d Date of incorporation	e Principal place of busn.	f Principal business activity code number	g Principal business activity	h Functional currency
5/05/98	GERMANY	325900	OTHER CHEMICALS PRODUCT MFG	Euro

2 Provide the following information for the foreign corporation's accounting period stated above.

a Name, address, and identifying number of branch office or agent (if any) in the United States	b If a U.S. income tax return was filed, please show:	
	(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)

c Name and address of foreign corporation's statutory or resident agent in country of incorporation**d Name and address (including corporate department, if applicable) of person (or persons) with custody of books & records of the foreign corporation, and the location of such books and records, if different**

THOMAS HIRSCH

Schedule A Stock of the Foreign Corporation**Part I — ALL Classes of Stock**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
QUOTAS DM	50,000	50,000

Part II — Additional Information for Preferred Stock

(To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock <i>(Note: This description should match the corresponding description entered in Part I, column (a).)</i>	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether stock is cumulative or noncumulative

For Paperwork Reduction Act Notice, see the separate instructions.

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GRACE HOLDING GMBH

65-0773649

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Schedule B U.S. Shareholders of Foreign Corporation (See the instructions.)

(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (a).)	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
*W.R. GRACE & CO-CONN. 7500 GRACE DRIVE COLUMBIA, MD 21044 13-5114230	QUOTAS DM	50,000	50,000	

Schedule C Income Statement (See the instructions.)

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
I N C O M E	1a Gross receipts or sales	136,320,582.	121,700,200.
	b Returns and allowances		
	c Subtract line 1b from line 1a.....		
	2 Cost of goods sold	140,783,439.	125,684,416.
	3 Gross profit (subtract line 2 from line 1c).....	-4,462,857.	-3,984,216.
	4 Dividends		
	5 Interest		
	6 Gross rents, royalties, and license fees	59,502,305.	53,120,683.
	7 Net gain or (loss) on sale of capital assets		
8 Other income (attach schedule)	39,490,668.	35,255,294.	
9 Total income (add lines 3 through 8).	74,409,530.	66,429,108.	
D E D U C T I O N S	10 Compensation not deducted elsewhere	38,053,706.	33,972,446.
	11 Rents, royalties, and license fees	1,128,010.	1,007,032.
	12 Interest	114,520.	102,238.
	13 Depreciation not deducted elsewhere.....		
	14 Depletion.....		
	15 Taxes (exclude provision for income, war profits, and excess profits taxes)		
	16 Other deductions (attach schedule -- exclude provision for income, war profits, and excess profits taxes)	39,555,652.	35,313,308.
	17 Total deductions (add lines 10 through 16).	78,851,964.	70,395,092.
N E T I N C O M E	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)	-4,442,434.	-3,965,984.
	19 Extraordinary items and prior period adjustments (see instructions)		
	20 Provision for income, war profits, and excess profits taxes (see instructions)	9,885,132.	8,824,952.
	21 Current year net income or (loss) per books (line 18 plus line 19 minus line 20).....	-14,327,566.	-12,790,936.

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See instructions.)

(a) Name of country or U.S. possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 U.S.			
2 GERMANY	8,927,000.	0.8842000	7,893,253.
3			
4			
5			
6			
7			
8 Total.....			7,893,253.

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

Assets	(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash	320,055.	29,335,314.
2a Trade notes and accounts receivable.....	-17,143.	47.
b Less allowance for bad debts.....	(-872,882.)	(8,908,242.)
3 Inventories	17,099,983.	18,751,067.
4 Other current assets (attach schedule)..... SEE STATEMENT. 3	48,045.	161,686.
5 Loans to stockholders and other related persons.....		
6 Investment in subsidiaries (attach schedule)		
7 Other investments (attach schedule) SEE STATEMENT. 4	471,677,521.	448,877,824.
8a Buildings and other depreciable assets	4,511.	
b Less accumulated depreciation	(4,511.)	()
9a Depletable assets.....		
b Less accumulated depletion.....	()	()
10 Land (net of any amortization)		
11 Intangible assets:		
a Goodwill.....		
b Organization costs		
c Patents, trademarks, and other intangible assets		
d Less accumulated amortization for lines 11a, b, and c.....		
12 Other assets (attach schedule)	0.	0.
13 Total assets	490,001,343.	488,217,696.
Liabilities and Stockholders' Equity		
14 Accounts payable.....		
15 Other current liabilities (attach schedule) SEE STATEMENT. 5	6,800,168.	3,921,052.
16 Loans from stockholders and other related persons.....	11,559,651.	15,275,123.
17 Other liabilities (attach schedule) SEE STATEMENT. 6	341,049,656.	315,556,323.
18 Capital stock:		
a Preferred stock.....		
b Common stock.....		-793.
19 Paid-in or capital surplus (attach reconciliation).....	125,908,343.	119,289,598.
20 Retained earnings	5,368,762.	34,107,378.
21 Less cost of treasury stock.....	()	()
22 Total liabilities and stockholders' equity	490,001,343.	488,217,696.

000251 09/03/2002 W. R. GRACE & CO. SUBSIDIARIES
GRACE HOLDING GMBH

65-0773649

Page 4

Form 5471 (Rev. 5-2001)

Schedule G Other Information

Yes No

- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in a foreign partnership?
- If "Yes," see the instructions for required attachment.
- 2 During the tax year, did the foreign corporation own an interest in any trust?
- 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3?
- If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.

Schedule H Current Earnings and Profits (See the instructions.)

Important: Enter the amounts on lines 1 through 5c in functional currency.

1 Current year net income or (loss) per foreign books of account.....	1	-14,327,566.
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
a Capital gains or losses		
b Depreciation and amortization		
c Depletion		
d Investment or incentive allowance		
e Charges to statutory reserves		
f Inventory adjustments		
g Taxes		
h Other (attach schedule)		
3 Total net additions	5a	37,033,070.
4 Total net subtractions.....	5b	
5a Current earnings and profits (line 1 plus line 3 minus line 4)	5c	37,033,070.
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)	5d	33,061,273.
c Combine lines 5a and 5b.....		
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations) (see instructions).		

Enter exchange rate used for line 5d ►

0.8927500

Schedule I Summary of Shareholder's Income From Foreign Corporation (See the instructions.)

1 Subpart F income (line 40b, Worksheet A in the instructions)	1	
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions).....	2	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions).....	3	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4	
5 Factoring income	5	
6 Total of lines 1 through 5. Enter here and on your income tax return. See instructions	6	0.
7 Dividends received (translated at spot rate on payment date under section 989(b)(1))	7	
8 Exchange gain or (loss) on a distribution of previously taxed income.....	8	

Yes No

- Was any income of the foreign corporation blocked?
- Did any such income become unblocked during the tax year (see section 964(b))?

If the answer to either question is "Yes," attach an explanation.

000251 09/03/2002

SCHEDULE J
(Form 5471)(Rev. May 2001)
Department of the Treasury
Internal Revenue Service**Accumulated Earnings and Profits (E&P)
of Controlled Foreign Corporation**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE & CO. SUBSIDIARIES

Identifying number
65-0773649

Name of foreign corporation

GRACE HOLDING GMBH

Important. Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
1 Balance at beginning of year	8,086,731.					8,086,731.
2a Current year E&P	37,033,070.					
b Current year deficit in E&P						
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a, minus line 2b)	45,119,801.					
4 Amounts included under sec. 951(a) or reclassified under section 959(c) in current year						
5a Actual distributions or reclassifications of previously taxed E&P						
b Actual distributions of nonpreviously taxed E&P						
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)			0.	0.	0.	
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	45,119,801.	0.				
7 Balance at end of year. (Enter amount from line 6a / line 6b, whichever is applic.)	45,119,801.	0.	0.	0.	0.	45,119,801.

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 5-2001)

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000251 09/03/2002

SCHEDULE M**(Form 5471)**

(Rev. May 2001)

Department of the Treasury

Internal Revenue Service

**Transactions Between Controlled Foreign Corporation
and Shareholders or Other Related Persons**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE & CO. SUBSIDIARIES

Identifying number

65-0773649

Name of foreign corporation

GRACE HOLDING GMBH

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ► Euro 0.8927500

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory).....			120,069,483.		
2 Sales of property rights (patents, trademarks, etc.).....					
3 Compensation received for technical, managerial, engineering, construction, or like services.....			9,884,832.		
4 Commissions received					
5 Rents, royalties, and license fees received.....			20,027,334.		
6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income).....			46,924,769.		
7 Interest received			1,361,244.		
8 Premiums received for insurance or reinsurance.....					
9 Add lines 1 through 8	0.	0.	198,267,662.	0.	0.
10 Purchases of stock in trade (inventory).....					
11 Purchases of tangible property other than stock in trade					
12 Purchases of property rights (patents, trademarks, etc.).....					
13 Compensation paid for technical, managerial, engineering, construction, or like services.....					
14 Commissions paid.....					
15 Rents, royalties, and license fees paid.....			20,027,334.		
16 Dividends paid					
17 Interest paid		19,411,125.	150,659.		
18 Add lines 10 through 17	0.	19,411,125.	20,177,993.	0.	0.
19 Amounts borrowed (enter the maximum loan balance during the year) -- see instructions ...					
		322,933,323.			
20 Amounts loaned (enter the maximum loan balance during the year) -- see instructions ...					

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule M (Form 5471) (Rev. 5-2001)

• 000251 09/03/2002
W. R. GRACE & CO. SUBSIDIARIES
GRACE HOLDING GMBH

Statement 1
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Income

Description	Functional Currency	U.S. Dollars
OTHER INCOME	453,212	404,605
INTER CORP. OTHER INCOME	39,037,456	34,850,689
Total	39,490,668	35,255,294

000251 09/03/2002
W. R. GRACE & CO. SUBSIDIARIES
GRACE HOLDING GMBH

Statement 2
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Deductions

Description	Functional Currency	U.S. Dollars
PROFESSIONAL, CORPORATION	1,735,981	1,549,797
CHARITABLE DEDUCTIONS	6,902	6,162
ADVERTISING	35,269	31,486
GENERAL STATIONARY AND SU	885,350	790,396
TELEPHONE COMMUNICATIONS	1,091,750	974,660
OPERATING COSTS	889,724	794,301
UTILITIES	12,683,921	11,323,570
REPAIRS AND MAINTENANCE	14,052,275	12,545,169
INSURANCE	703,851	628,363
SERVICE CHARGES	2,963,422	2,645,595
EXPENSE TRANSFERS	-54,067,448	-48,268,714
OTHER DEDUCTIONS	2,028,449	1,810,898
INTER CORP. - OTHER EXP.	56,546,206	50,481,625
Total	39,555,652	35,313,308

♥ 000251 09/03/2002
W. R. GRACE & CO. SUBSIDIARIES
GRACE HOLDING GMBH

Statement 3
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 4 -- Other Current Assets

Detail Description	Beginning	Ending
OTHER PREPAYMENTS AND OTH	48,045	161,686
Total	48,045	161,686

000251 09/03/2002
W. R. GRACE & CO. SUBSIDIARIES
GRACE HOLDING GMBH

Statement 4
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 7 -- Other Investments

Detail Description	Beginning	Ending
INVEST. IN CONSOL. SUBS	471,677,521	448,877,824
Total	471,677,521	448,877,824

000251 09/03/2002
W. R. GRACE & CO. SUBSIDIARIES
GRACE HOLDING GMBH

Statement 5
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
ACCEPTANCE PAYABLE	6,361,625	-8,175,951
INCOME TAXES PAYABLE	7,537,612	4,021,712
ACCRUED CURRENT LIABILITIES	4,979,546	5,045,194
OTHER CURRENT LIABILITIES	3,647,942	2,285,402
INDEMNITIES, PENSIONS AND	12,431,190	13,139,359
INTER CORPORATE BAL. WITH	-23,398,264	-1,040,593
Total	11,559,651	15,275,123

000251 09/03/2002
W. R. GRACE & CO. SUBSIDIARIES
GRACE HOLDING GMBH

Statement 6
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 17 -- Other Liabilities

Detail Description	Beginning	Ending
NON CURRENT DEFERRED TAX	-685,237	69,015
Total	-685,237	69,015

**Grace Holding GmbH
Form 5471
Schedule G – Item 3
Taxable Year 2001**

<u>Disregarded Entity</u>	<u>Country</u>	<u>EIN</u>
Grace Manufacturing GmbH & Co. KG	Germany	N/A
Grace Management GP GmbH	Germany	65-0919075
Grace GP GmbH	Germany	N/A
Grace Catalyst AB	Sweden	98-0359658

Form 5471

(Rev. May 2001)

Department of the Treasury
 Internal Revenue Service

Information Return of U.S. Persons With Respect To Certain Foreign Corporations

► See separate instructions.

OMB No. 1545-0704

File In Duplicate
 (see When and
 Where To File in the
 instructions)

Name of person filing this return

W. R. GRACE & CO. & SUBSIDIARIES

Number, street, & room or suite no. (or P.O. box no. if mail is not delivered to street address)
5400 BROKEN SOUND BLVD. - SUITE 300

City or town, state, and ZIP code

BOCA RATON, FL 33432

A Identifying number

65-0773649

B Category of filer (See instructions. Check applicable box(es)):

1 2 3 4 5

**C Enter the total percentage of the foreign corporation's voting stock
 you owned at the end of its annual accounting period**

100%

Filer's tax year beginning , 20 , and ending , 20

D Person(s) on whose behalf this information return is filed:

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

Important: Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U.S. dollars unless otherwise indicated.

1a Name and address of foreign corporation

GRACE SILICA GMBH
 KREUZAUER STR. 46
 D-52355 DUREN, GERMANY

b Employer identification number, if any

GERMANY

d Date of incorporation

e Principal place of busn.

**f Principal business activity
 code number**

**g Principal business activity
 OTHER CHEMICAL
 PRODUCT MFG.**

**h Functional currency
 EURO**

2 Provide the following information for the foreign corporation's accounting period stated above.

**a Name, address, and identifying number of branch office or agent
 (if any) in the United States**

b If a U.S. income tax return was filed, please show:

(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)
------------------------------	--

**c Name and address of foreign corporation's statutory or resident
 agent in country of incorporation**

**d Name and address (including corporate department, if applicable) of
 person (or persons) with custody of books & records of the foreign
 corporation, and the location of such books and records, if different**

THOMAS HIRSCH

Schedule A Stock of the Foreign Corporation

Part I — ALL Classes of Stock

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
COMMON		250,000

Part II — Additional Information for Preferred Stock

(To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock <small>(Note: This description should match the corresponding description entered in Part I, column (a).)</small>	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether stock is cumulative or noncumulative

For Paperwork Reduction Act Notice, see the separate Instructions.

Form 5471 (Rev. 5-2001)

000258 09/03/2002

W. R. GRACE & CO. & SUBSIDIARIES

GRACE SILICA GMBH

65-0773649

Form 5471 (Rev. 5-2001)

Page 2

Schedule B U.S. Shareholders of Foreign Corporation (See the instructions.)

Schedule C Income Statement (See the instructions.)

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
INCOME	1a Gross receipts or sales		
	b Returns and allowances		
	c Subtract line 1b from line 1a		
	2 Cost of goods sold		
	3 Gross profit (subtract line 2 from line 1c)		
	4 Dividends		
	5 Interest		
	6 Gross rents, royalties, and license fees		
	7 Net gain or (loss) on sale of capital assets		
DEDUCTIONS	8 Other income (attach schedule)	SEE STATEMENT. 1.	
	9 Total income (add lines 3 through 8)		
	10 Compensation not deducted elsewhere		
	11 Rents, royalties, and license fees		
	12 Interest		
	13 Depreciation not deducted elsewhere		
	14 Depletion		
	15 Taxes (exclude provision for income, war profits, and excess profits taxes)		
	16 Other deductions (attach schedule -- exclude provision for income, war profits, and excess profits taxes)	SEE STATEMENT. 2.	
NET INCOME	17 Total deductions (add lines 10 through 16)		
	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)		
	19 Extraordinary items and prior period adjustments (see instructions)		
	20 Provision for income, war profits, and excess profits taxes (see instructions)		
	21 Current year net income or (loss) per books (line 18 plus line 19 minus line 20)		

Form 5471 (Rev. 5-2001)

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See instructions.)

(a) Name of country or U.S. possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 U.S.			
2 Germany	395,178.	0.8840160	349,344.
3			
4			
5			
6			
7			
8 Total.....			349,344.

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

Assets	(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash	679,299.	
2a Trade notes and accounts receivable.....	54,131.	
b Less allowance for bad debts.....	(-271,866.)	
3 Inventories	1,436,244.	
4 Other current assets (attach schedule).....	0.	
5 Loans to stockholders and other related persons.....		
6 Investment in subsidiaries (attach schedule)		
7 Other investments (attach schedule)		
8a Buildings and other depreciable assets		
b Less accumulated depreciation		
9a Depletable assets.....		
b Less accumulated depletion.....		
10 Land (net of any amortization)		
11 Intangible assets:		
a Goodwill.....	898,653.	
b Organization costs.....		
c Patents, trademarks, and other intangible assets.....		
d Less accumulated amortization for lines 11a, b, and c		
12 Other assets (attach schedule).....	0.	
13 Total assets	0.	3,340,193.
Liabilities and Stockholders' Equity		
14 Accounts payable.....		1,287,509.
15 Other current liabilities (attach schedule).....	SEE . STATEMENT . 3.	-225,090.
16 Loans from stockholders and other related persons.....		
17 Other liabilities (attach schedule).....	SEE . STATEMENT . 4.	-33,562.
18 Capital stock:		
a Preferred stock.....		
b Common stock.....		
19 Paid-in or capital surplus (attach reconciliation).....		22,064.
20 Retained earnings		1,832,174.
21 Less cost of treasury stock.....		457,098.
22 Total liabilities and stockholders' equity	()	0.
		3,340,193.

000258 09/03/2002 W. R. GRACE & CO. & SUBSIDIARIES
GRACE SILICA GMBH

65-0773649

Form 5471 (Rev. 5-2001)

Page 4

Schedule G Other Information

Yes No

- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in a foreign partnership?
- If "Yes," see the instructions for required attachment.
- 2 During the tax year, did the foreign corporation own an interest in any trust?
- 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3?
- If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.

Schedule H Current Earnings and Profits (See the instructions.)

Important: Enter the amounts on lines 1 through 5c in functional currency.

1 Current year net income or (loss) per foreign books of account.....	1	338,915.
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
a Capital gains or losses		
b Depreciation and amortization		
c Depletion		
d Investment or incentive allowance		
e Charges to statutory reserves		
f Inventory adjustments		
g Taxes		
h Other (attach schedule)		
3 Total net additions	179,015.	
4 Total net subtractions.....		104,821.
5a Current earnings and profits (line 1 plus line 3 minus line 4)		
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)		
c Combine lines 5a and 5b.....		
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations) (see instructions).		
Enter exchange rate used for line 5d ►		0.8927500

Schedule I Summary of Shareholder's Income From Foreign Corporation (See the instructions.)

1 Subpart F income (line 40b, Worksheet A in the instructions)	1	
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions).....	2	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions).....	3	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4	
5 Factoring income	5	
6 Total of lines 1 through 5. Enter here and on your income tax return. See instructions	6	0.
7 Dividends received (translated at spot rate on payment date under section 989(b)(1))	7	
8 Exchange gain or (loss) on a distribution of previously taxed income.....	8	

Yes No

- Was any income of the foreign corporation blocked?
- Did any such income become unblocked during the tax year (see section 964(b))?

If the answer to either question is "Yes," attach an explanation.

000258 09/03/2002

**SCHEDULE J
(Form 5471)**(Rev. May 2001)
Department of the Treasury
Internal Revenue Service**Accumulated Earnings and Profits (E&P)
of Controlled Foreign Corporation**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE & CO. & SUBSIDIARIES

Identifying number
65-0773649

Name of foreign corporation

GRACE SILICA GMBH

Important. Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
1 Balance at beginning of year						0 .
2a Current year E&P	413,109.					
b Current year deficit in E&P						
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a, minus line 2b)	413,109.					
4 Amounts included under sec. 951(a) or reclassified under section 959(c) in current year						
5a Actual distributions or reclassifications of previously taxed E&P						
b Actual distributions of nonpreviously taxed E&P						
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)			0 .	0 .	0 .	
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	413,109.	0 .				
7 Balance at end of year. (Enter amount from line 6a / line 6b, whichever is applic.)	413,109.	0 .	0 .	0 .	0 .	413,109.

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 5-2001)

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000258 09/03/2002

SCHEDULE M

(Form 5471)

(Rev. May 2001)

Department of the Treasury

Internal Revenue Service

**Transactions Between Controlled Foreign Corporation
and Shareholders or Other Related Persons**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE & CO. & SUBSIDIARIES

Identifying number

65-0773649

Name of foreign corporation

GRACE SILICA GMBH

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ► Euro 0.8927500

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory).....			11,721,768.		
2 Sales of property rights (patents, trademarks, etc.)....					
3 Compensation received for technical, managerial, engineering, construction, or like services.....			871,172.		
4 Commissions received					
5 Rents, royalties, and license fees received.....			1,687,054.		
6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income).					
7 Interest received			35,578.		
8 Premiums received for insurance or reinsurance.....					
9 Add lines 1 through 8	0.	0.	14,315,572.	0.	0.
10 Purchases of stock in trade (inventory).....					
11 Purchases of tangible property other than stock in trade					
12 Purchases of property rights (patents, trademarks, etc.).					
13 Compensation paid for technical, managerial, engineering, construction, or like services.....					
14 Commissions paid.....					
15 Rents, royalties, and license fees paid.....			1,687,054.		
16 Dividends paid					
17 Interest paid			66,133.		
18 Add lines 10 through 17	0.	0.	1,753,187.	0.	0.
19 Amounts borrowed (enter the maximum loan balance during the year) -- see instructions ...					
20 Amounts loaned (enter the maximum loan balance during the year) -- see instructions ...					

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule M (Form 5471) (Rev. 5-2001)

**SCHEDULE O
(Form 5471)**

(Rev. May 2001)

Department of the Treasury
Internal Revenue Service**Organization or Reorganization of Foreign
Corporation, and Acquisitions and
Dispositions of its Stock**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE & CO. & SUBSIDIARIES

Identifying number

65-0773649

Name of foreign corporation

GRACE SILICA GMBH

Important: Complete a separate Schedule O for each foreign corporation for which information must be reported.

Part I To Be Completed by U.S. Officers and Directors

(a) Name of shareholder for whom acquisition information is reported	(b) Address of shareholder	(c) Identifying number of shareholder	(d) Date of original 10% acquisition	(e) Date of additional 10% acquisition

Part II To Be Completed by U.S. Shareholders

Note: If this return is required because one or more shareholders became U.S. persons, attach a list showing the names of such persons and the date each became a U.S. person.

Section A -- General Shareholder Information

(a) Name, address, and identifying number of shareholder(s) filing this schedule	(b) For shareholder's latest U.S. income tax return filed, indicate:			(c) Date (if any) share- holder last filed info. return under section 6046 for the foreign corporation
	(1) Type of return (enter form number)	(2) Date return filed	(3) Internal Revenue Service Center where filed	
W. R. GRACE & CO. - CONN. COLUMBIA, MD 21044 13-5114230	1120	9/15/01	ATLANTA, GA	

Section B -- U.S. Persons Who Are Officers or Directors of the Foreign Corporation

(a) Name of U.S. officer or director	(b) Address	(c) Social security number	(d) Check appropriate box(es)	
			Officer	Director

Section C -- Acquisition of Stock

(a) Name of shareholder(s) filing this schedule	(b) Class of stock acquired	(c) Date of acquisition	(d) Method of acquisition	(e) Number of shares acquired		
				(1) Directly	(2) Indirectly	(3) Constructively
W. R. GRACE & CO. - CONN.	SHS - EUROS	3/28/01	PURCHASE	25,000		

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Schedule O (Form 5471) (Rev. 5-2001)

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(f) Amount paid or value given	(g) Name and address of person from whom shares were acquired
27,300	FRESHFIELDS BRUCKHAUS DERINGER TAUNUSANLAGE 11, D-60329 FRANKFURT AM MAIN, GERMANY

Section D -- Disposition of Stock

(a) Name of shareholder disposing of stock	(b) Class of stock	(c) Date of disposition	(d) Method of disposition	(e) Number of shares disposed of		
				(1) Directly	(2) Indirectly	(3) Constructively
(f) Amount received	(g) Name and address of person to whom disposition of stock was made					

Section E -- Organization or Reorganization of Foreign Corporation

(a) Name and address of transferor			(b) Identifying number (if any)	(c) Date of transfer
(d) Assets transferred to foreign corporation			(e) Description of assets transferred by, or notes or securities issued by, foreign corporation	
(1) Description of assets	(2) Fair market value	(3) Adjusted basis (if transferor was U.S. person)		

Section F -- Additional Information

(a) If the foreign corporation or a predecessor U.S. corporation filed (or joined with a consolidated group in filing) a U.S. income tax return for any of the last 3 years, attach a statement indicating the year for which a return was filed (and, if applicable, the name of the corporation filing the consolidated return), the taxable income or loss, and the U.S. income tax paid (after all credits).

(b) List the date of any reorganization of the foreign corporation that occurred during the last 4 years while any U.S. person held 10% or more in value or vote (directly or indirectly) of the corporation's stock ►

(c) If the foreign corporation is a member of a group constituting a chain of ownership, attach a chart, for each unit of which a shareholder owns 10% or more in value or voting power of the outstanding stock. The chart must indicate the corporation's position in the chain of ownership and the percentages of stock ownership (see the instructions for an example).

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W. R. GRACE & CO. & SUBSIDIARIES
GRACE SILICA GMBH

Statement 1
65-0773649

Tax Year Ended

Form 5471 Page 2 Schedules

Other Income

Description	Functional Currency	U.S. Dollars
OTHER INCOME	17,734	15,832
INTER CORP. OTHER INCOME	2,893,266	2,582,963
Total	2,911,000	2,598,795

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 GRACE SILICA GMBH

Statement 2
 65-0773649

Tax Year Ended

Form 5471 Page 2 Schedules

Other Deductions

Description	Functional Currency	U.S. Dollars
PROFESSIONAL, CORPORATION	72,259	64,509
ADVERTISING	15	13
GENERAL STATIONARY AND SU	112,177	100,146
TELEPHONE COMMUNICATIONS	41,950	37,451
OPERATING COSTS	143,128	127,778
UTILITIES	2,770,119	2,473,024
REPAIRS AND MAINTENANCE	1,436,723	1,282,634
INSURANCE	59,850	53,431
SERVICE CHARGES	2,642,314	2,358,926
EXPENSE TRANSFERS	-8,462,774	-7,555,141
OTHER DEDUCTIONS	136,500	121,860
INTER CORP. - OTHER EXP.	2,103,000	1,877,453
 Total	 1,055,261	 942,084

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W. R. GRACE & CO. & SUBSIDIARIES
GRACE SILICA GMBH

Statement 3
65-0773649

Tax Year Ended

Form 5471 Page 3 Schedules

Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
ACCEPTANCE PAYABLE		283,694
INCOME TAXES PAYABLE		-114,752
ACCRUED CURRENT LIABILITIES		461,877
OTHER CURRENT LIABILITIES		-73,621
INDEMNITIES, PENSIONS AND		1,661,828
INTER CORPORATE BAL. WITH		-2,444,116
Total	0	-225,090

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GRACE SILICA GMBH

Statement 4
65-0773649

Tax Year Ended

Form 5471 Page 3 Schedules

Schedule F, line 17 -- Other Liabilities

Detail Description	Beginning	Ending
NON CURRENT DEFERRED TAX		-33,562
Total	0	-33,562

Form 5471

(Rev. May 2001)

Department of the Treasury
Internal Revenue Service**Information Return of U.S. Persons With
Respect To Certain Foreign Corporations**

► See separate instructions.

OMB No. 1545-0704

File In Duplicate

(see When and
Where To File in the
instructions)Information furnished for the foreign corporation's annual accounting period (tax year required by
section 898) (see instructions) beginning 01/01 , 2001 , and ending 12/31 , 2001

Name of person filing this return

W. R. GRACE & CO. & SUBSIDIARIES

Number, street, & room or suite no. (or P.O. box no. if mail is not delivered to street address)

5400 BROKEN SOUND BLVD. - SUITE 300

City or town, state, and ZIP code

BOCA RATON, FL 33487

Filer's tax year beginning 01/01 , 2001 , and ending 12/31 , 2001

A Identifying number

65-0773649

B Category of filer (See instructions. Check applicable box(es)):1 2 3 4 5 **C Enter the total percentage of the foreign corporation's voting stock**

you owned at the end of its annual accounting period 100.000000 %

D Person(s) on whose behalf this information return is filed:

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

Important: Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U.S. dollars unless otherwise indicated.**1a Name and address of foreign corporation**

GRACE HELLAS E.P.E

20 LAGOUIMITZI STREET

KALLITHEA, GREECE 176 71

b Employer identification number, if any**c Country under whose laws incorporated**

GREECE

d Date of incorporation	e Principal place of busn.	f Principal business activity code number	g Principal business activity	h Functional currency
09/15/66	GREECE	325900	OTHER CHEMICALS PRODUCT MFG	Euro

2 Provide the following information for the foreign corporation's accounting period stated above.**a Name, address, and identifying number of branch office or agent
(if any) in the United States**

NONE

b If a U.S. income tax return was filed, please show:(i) Taxable income or (loss) (ii) U.S. income tax paid
(after all credits)**c Name and address of foreign corporation's statutory or resident agent in country of incorporation**JOHN D. FOTOPOULOS
27 XENOKRATOUS STREET
ATHENS 140, GREECE**d Name and address (including corporate department, if applicable) of person (or persons) with custody of books & records of the foreign corporation, and the location of such books and records, if different**

S. MENDRINOS

Schedule A: Stock of the Foreign Corporation**Part I — ALL Classes of Stock**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
COMMON	600	600

Part II — Additional Information for Preferred Stock

(To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock <i>(Note: This description should match the corresponding description entered in Part I, column (a).)</i>	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether stock is cumulative or noncumulative

For Paperwork Reduction Act Notice, see the separate instructions.

Form 5471 (Rev. 5-2001)

Form 5471 (Rev. 5-2001)

Schedule B U.S. Shareholders of Foreign Corporation (See the instructions.)

Schedule C Income Statement (See the instructions.)

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
INCOME	1a Gross receipts or sales		
	b Returns and allowances		
	c Subtract line 1b from line 1a.....		
	2 Cost of goods sold		
	3 Gross profit (subtract line 2 from line 1c).....		
	4 Dividends		
	5 Interest		
	6 Gross rents, royalties, and license fees		
	7 Net gain or (loss) on sale of capital assets		
DEDUCTIONS	8 Other income (attach schedule)	SEE. STATEMENT. 1	
	9 Total income (add lines 3 through 8).....		
	10 Compensation not deducted elsewhere		
	11 Rents, royalties, and license fees		
	12 Interest		
	13 Depreciation not deducted elsewhere.....		
	14 Depletion.....		
	15 Taxes (exclude provision for income, war profits, and excess profits taxes)		
	16 Other deductions (attach schedule -- exclude provision for income, war profits, and excess profits taxes)	SEE. STATEMENT. 2	
NET INCOME	17 Total deductions (add lines 10 through 16).....		
	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)		
	19 Extraordinary items and prior period adjustments (see instructions)		
	20 Provision for income, war profits, and excess profits taxes (see instructions)		
	21 Current year net income or (loss) per books (line 18 plus line 19 minus line 20).....		
		18	9,667.
		19	
		20	
		21	9,667.

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Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See instructions.)

(a) Name of country or U.S. possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 U.S.			
2 GREECE	3,625.	0.8824828	3,199.
3			
4			
5			
6			
7			
8 Total.....			3,199.

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

Assets	(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash	139,016.	156,751.
2a Trade notes and accounts receivable.....	9,823.	4,667.
b Less allowance for bad debts.....	()	0.
3 Inventories		
4 Other current assets (attach schedule).....	SEE STATEMENT 3.	
5 Loans to stockholders and other related persons.....		
6 Investment in subsidiaries (attach schedule)		
7 Other investments (attach schedule)	SEE STATEMENT 4.	
8a Buildings and other depreciable assets.....		
b Less accumulated depreciation		
9a Depletable assets.....		
b Less accumulated depletion.....		
10 Land (net of any amortization).....		
11 Intangible assets:		
a Goodwill.....		
b Organization costs.....		
c Patents, trademarks, and other intangible assets.....		
d Less accumulated amortization for lines 11a, b, and c.....		
12 Other assets (attach schedule).....	SEE STATEMENT 5.	
13 Total assets	154,100.	162,917.
Liabilities and Stockholders' Equity		
14 Accounts payable.....	3,403.	1,186.
15 Other current liabilities (attach schedule).....	SEE STATEMENT 6.	
16 Loans from stockholders and other related persons.....		
17 Other liabilities (attach schedule)	SEE STATEMENT 7.	
18 Capital stock:		
a Preferred stock.....		
b Common stock.....		
19 Paid-in or capital surplus (attach reconciliation).....		
20 Retained earnings		
21 Less cost of treasury stock.....		
22 Total liabilities and stockholders' equity	154,100.	162,917.